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BEFORE THE ARIZONA CORPORATION COMMISSION

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COMMISSIONERS

GARY PIERCE - Chairman
BOB STUMP
SANDRA D. KENNEDY
PAUL NEWMAN
BRENDA BURNS

IN THE MATTER OF THE APPLICATION OF
TRUXTON CANYON WATER COMPANY, INC.
FOR APPROVAL OF A RATE INCREASE.

DOCKET NO. W-02168A-11-0363

PROCEDURAL ORDER
RESCHEDULING
PROCEDURAL CONFERENCE

On September 30, 2011, Truxton Canyon Water Company, Inc. ("Truxton" or "Company") filed with the Arizona Corporation Commission ("Commission") an application for an increase in its water rates and charges, using a test year ("TY") ending June 30, 2011. Truxton's application requests authorization to increase its rates to generate an additional \$312,034 in gross revenues per year, resulting in a 97.24 percent increase over unaudited test year revenues. Truxton's application states that the additional revenues will be obtained through having the Valle Vista Property Owner Association ("VVPOA") become a customer of Truxton.

On October 31, 2011, the Commission's Utilities Division ("Staff") issued a Letter of Sufficiency in this docket stating that Truxton's application had met the sufficiency requirements as outlined in A.A.C. R14-2-103 and that Truxton had been classified as a Class C utility.

On November 4, 2011, by Procedural Order, the rate case hearing was set to begin on May 7, 2012, and other procedural deadlines were established.

On December 1, 2011, VVPOA filed a Motion to Intervene in this proceeding.

On December 12, 2011, Truxton filed a Notice of Filing Affidavit of Publication and Affidavit of Mailing, showing notice of the application had been published on November 25, 2011, in the *Kingman Daily Miner*, a newspaper of general circulation in Mohave County.

On January 3, 2012, by Procedural Order, VVPOA was granted intervention in this matter.

On January 31, 2012, Staff filed a Motion to Suspend Timeclock. In its Motion, Staff stated that the Company had not provided responses to either Staff's November 21, 2011, data request or its

1 December 8, 2011, data request. Without the information contained in the responses to the data
2 requests, Staff stated it could not move forward with its analysis and/or preparation of Staff's direct
3 testimony, which was due in approximately six weeks. Staff requested a suspension of the timeclock
4 until the Company adequately responded to Staff's outstanding data requests.

5 On February 13, 2012, a Procedural Order was issued suspending the timeclock in this matter
6 and the May 7, 2012, hearing date was reserved for the taking of public comments only.
7 Additionally, Staff was ordered to file a request to reinstate the timeclock and a request to reset the
8 procedural schedule, once Staff had received the Company's outstanding data responses.

9 On September 5, 2012, Staff filed a Request for Procedural Order ("Request"). The Request
10 states that Staff is concerned with the lapse of time since the rate case was filed; Truxton still has not
11 responded to outstanding data requests; and that once the responses to data requests are received the
12 test year data will be stale and likely no longer representative of the Company's current financial
13 situation. Staff requests that the Company be ordered to update its application with revised data
14 reflecting a new test year using the twelve months ending June 30, 2012, and that the Company be
15 given until October 31, 2012, to provide the updated data.

16 On September 6, 2012, by Procedural Order, a procedural conference was scheduled to be
17 held on September 17, 2012, for the purpose of discussing Staff's Request and for the Company to
18 provide an update on the status of its application.

19 On September 13, 2012, the Company filed a Motion to Reschedule Hearing or Alternatively
20 Permit Telephonic Appearance ("Motion") stating that neither Truxton's representative nor
21 VVPOA's attorney were available to attend the procedural conference on September 17, 2012. The
22 Motion requested that the procedural conference be reset for the week of September 24, 2012.

23 On the same date, Truxton filed a Notice of Settlement Agreement and Request for Expedited
24 Approval ("Notice").

25 Accordingly, the procedural conference set for September 17, 2012, should be rescheduled.
26 Further, it is appropriate to discuss Truxton's Notice during the procedural conference.

27 IT IS THEREFORE ORDERED that the **procedural conference** scheduled on September 17,
28 2012, **shall be continued to September 26, 2012, at 10:00 a.m.**, at the Commission's offices, 1200

1 West Washington Street, Hearing Room No. 1, Phoenix, Arizona.

2 IT IS FURTHER ORDERED that the Ex Parte Rule (A.A.C. R14-3-113-Unauthorized
3 Communications) continues to apply to this proceeding, and shall remain in effect until the
4 Commission's Decision in this matter is final and non-appealable.

5 IT IS FURTHER ORDERED that all parties must comply with Arizona Supreme Court Rules
6 31 and 38 and A.R.S. § 40-243 with respect to the practice of law and admission *pro hac vice*.

7 IT IS FURTHER ORDERED that withdrawal of representation must be made in compliance
8 with A.A.C. R14-3-104(E) and Rule 1.16 of the Rules of Professional Conduct (under Arizona
9 Supreme Court Rule 42). Representation before the Commission includes the obligation to appear at
10 all hearings, procedural conferences, and Open Meetings for which the matter is scheduled for
11 discussion, unless counsel has previously been granted permission to withdraw by the Administrative
12 Law Judge or Commission.

13 IT IS FURTHER ORDERED that the Presiding Officer may rescind, alter, amend, or waive
14 any portion of this Procedural Order either by subsequent Procedural Order or by ruling at hearing.

15 DATED this 14th day of September, 2012.

16
17
18 
19 YVETTE B. KINSEY
20 ADMINISTRATIVE LAW JUDGE

21 Copies of the foregoing mailed
22 this 14th day of September, 2012 to:

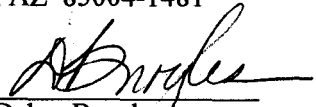
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10 Secretary to Yvette B. Kinsey